

NEIGHBORHOOD BUSINESS ACCESS PROGRAM (NBAP)

PROGRAM SUMMARY

The Office of Economic Development's Business Capital Unit supports entrepreneurship, job creation, and the revitalization of Boston's neighborhoods. We achieve this mission through the distribution of business financing. Our programs are backed by the U.S. Department of Housing and Urban Development (HUD) and the Community Development Block Grant Program (CDBG).

Our Unit and programs are committed to:

- Supporting women, minority, immigrant, and veteran-owned enterprises
- Supporting businesses which improve their communities and the lives of residents
- Supporting the creation of jobs for low-to-moderate-income households in Boston
- Collaborating with public, private, and nonprofit partners to create shared opportunities
- Preventing the displacement of existing businesses
- Connecting business owners with technical assistance and key resources

We offer financing for a wide range of purposes including working capital, startup costs, equipment purchases, and business expansion.

GENERAL LOAN POLICIES

- All loans require personal guarantees. Providing a personal guarantee means that if the business becomes unable to repay its debt, then the owner or business guarantor is legally responsible for repayment.
- Businesses must provide evidence of a personal equity contribution and/or commitment(s) from an outside lender/ institution.
- All applicants must create or preserve jobs in i) a low-to-moderate income area in the City of Boston or ii) for Boston residents from low-to-moderate income households.
- Loan terms and structure will be based on CDBG guidelines, NBAP policies, job creation/preservation, and overall community benefit.

TERMS & CRITERIA

Flexible term loans between \$5,000 and \$100,000 on average, available to new and existing businesses in the City of Boston. Funds are distributed in the form of expense reimbursement and must be withdrawn within the first twelve (12) months of loan award. All loans are subject to compliance with federal and City guidelines.

Subject to underwriting and evaluation, loan terms may be structured on five (5) to twenty (20) year repayment periods with an interest rate range of 0% - 5%. On all financing, no payments will be due for the first twelve (12) months following loan commitment.

FEDERAL / CDBG ELIGIBILITY REQUIREMENTS

Businesses receiving CDBG funds may qualify under the following federal guidelines:

- The business is / will be located in an area in which at least 51% of residents are designated as low-to-moderate income.
- The business intends to create or retain full-time, permanent jobs, at least 51 percent of which will be made available to or held by low-to-moderate income residents.
- The business will meet public and community benefit thresholds, as determined by the Office of Economic Development.

LOAN APPLICATION OVERVIEW

Once we receive your complete application package, the review process will begin. Unsigned or incomplete application packages cannot be processed. After submitting your application, you will be notified of any missing documentation. Additional meetings may be required to ensure we understand your financial needs. Please allow up to thirty (30) days for financing approval and sixty (60) days for the completion of all final paperwork.

Please send printed, signed applications, personal financial statements, and supporting materials by email or mail to:

Austin Williams
Mayor's Office of Economic Development
617-635-4879 | AUSTIN.WILLIAMS@BOSTON.GOV

Boston City Hall
1 City Hall Square, Rm. 717
Boston, MA 02201

PROGRAM APPLICATION

INFORMATION ABOUT YOUR BUSINESS

Legal Name of Business:

DBA ("Doing Business As"):

Business Type / Industry: Business Phone #:

Business Address:

City: State: Zip:

Location Owned / Leased?: Monthly Payment (\$):

Landlord Name (If Applicable):

Business Website:

Business Structure:

☐ Sole Proprietor ☐ Partnership ☐ LLC ☐ S-Corp ☐ C-Corp ☐ Worker Cooperative ☐ Nonprofit ☐ L3C

Year Established:

IRS Employer ID (EIN): DUNS #:

PERSONAL INFORMATION

Applicant Full Name:

Phone: Email:

Home Address:

City: State: Zip:

Co-Applicant Full Name (If Applicable):

Phone: Email:

Home Address:

City: State: Zip:

ADVISORY RELATIONSHIPS

Have you been advised by any of the following? Check all that apply.

☐ Office of Economic Development - Small Business Unit

- Name of Contact:

☐ Community Development Financial Institution (CDFI)

- Name of Organization:
- Name of Contact:

☐ Technical Assistance Provider

- Name of Organization:
- Name of Contact:

☐ Other

- Name of Organization:
- Name of Contact:

BUSINESS FINANCING

Total Financing Request (\$):

Total Request for Working Capital (\$):

Description of Working Capital Needs:

Total Request for Equipment (\$):

Description of Equipment Needs:

List or attach additional sources of financing (bank loan, personal investment, etc.)

<u>Source Name</u>	<u>Source Type</u>	<u>Amount Committed / Pending (\$)</u>
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1.

2.

3.

BUSINESS OWNERSHIP / LEADERSHIP

List all owners, officers, directors, and /or partners with a 20% or greater interest in the business. Worker cooperatives and nonprofits must attach a list of all board members.

Name: Title: Ownership %:
Home Address:

Name: Title: Ownership %:
Home Address:

Name: Title: Ownership %:
Home Address:

BUSINESS EMPLOYMENT

of Current Employees (Including Self):

Full-Time: Part-Time:

Anticipated # of New Employees in the Next Twelve (12) Months:

Full-Time: Part-Time:

Minimum Starting Wage (\$):

\$ per Hour (Full-Time): \$ per Hour (Part-Time):

Employee Benefits (Check All That Apply):

- ☐ Health Insurance ☐ Disability Insurance ☐ Life Insurance ☐ Profit Sharing ☐ Retirement Plan
☐ Employee Ownership ☐ Other:
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PROFESSIONAL REFERENCES

Name: Phone: Email:

Name: Phone: Email:

SUMMARY OF BUSINESS LOANS & LEASES

☐ If no outstanding business debt, check here.

Creditor Name	Original Amount	Date Issued	Present Balance	Interest Rate (%)	Maturity Date	Monthly Payment	Past Due (Y/N)

EXTERNAL CONSIDERATIONS

If any of the following apply to you / your business, please check and attach an explanation.

- 1. Have you or any officers of your company ever been involved in bankruptcy or insolvency proceedings? ☐ Yes ☐ No
- 2. Are you or your business involved in any pending lawsuits? ☐ Yes ☐ No
- 3. Have you, a spouse, or a family member previously received financing through the City of Boston? ☐ Yes ☐ No

ACKNOWLEDGEMENT

I/We understand that by signing this application I/we authorize the City of Boston to make inquiries as needed to verify the accuracy of the information and to determine creditworthiness. I/We certify the information is true and accurate and is provided for the purpose of obtaining business financing. The City of Boston will maintain the confidentiality of this information and it will not be released without authorization. I authorize the City of Boston to share information with City of Boston staff outside the Business Capital Unit who may provide technical assistance and support this financing request.

Applicant Signature: _____ **Date:** _____

Co-Applicant and/or Guarantor Signature: _____ **Date:** _____

DEMOGRAPHICS

This information is not required but is requested for statistical and program purposes. It will not affect your ability to receive financing through the City of Boston. Check all that apply.

Gender: ☐ Female ☐ Male ☐ Nonbinary

Veteran Status: ☐ Veteran ☐ Non-Veteran

Disability: ☐ Yes ☐ No

Citizenship: ☐ Immigrant ☐ Refugee ☐ Naturalized Citizen ☐ U.S. Born Citizen

Race/Ethnicity: ☐ Alaska Native ☐ American Indian ☐ Asian ☐ Black / African American
☐ Hispanic Origin ☐ Native Hawaiian ☐ Other Pacific Islander ☐ White / Other

Education: ☐ Some HS ☐ HS / GED ☐ Vocational ☐ Some College ☐ 2 Year Degree ☐ 4 Year Degree
☐ Some Graduate ☐ Graduate Degree

REQUIRED ATTACHMENTS

Please check and attach the items below.

☐ A business plan which includes:

- Executive Summary
- Management Team / Resume(s)
- Market / Neighborhood Analysis
- Breakdown of Products and Services
- Marketing & Growth Plan

☐ Financial statements and/or projections. Existing businesses should include information for the most recent fiscal year as well as the next two (2) years. New businesses should provide an outlook for the next three (3) years. Please include the following items:

- Balance Sheets
- Income Statements
- Cash Flow Statements

☐ Personal Financial Statement for each owner / partner with a 20% or greater interest in the business.

☐ Articles of Business Incorporation

☐ DBA ("Doing Business As") Certification

☐ Credit Score Report (via <https://www.bankrate.com/app/create-account>)

PERSONAL FINANCIAL STATEMENT

To be completed by any owner, partner, or guarantor with a 20% or greater interest in the business.

Name:

Phone:

Home Address:

City:

State:

Zip Code:

Income (\$)	
Annual Salary	\$
Annual Investment Income	\$
Annual Real Estate Income	\$
Spouse's Income	\$
Other Income	\$
TOTAL INCOME	\$

Assets (\$)		Liabilities (\$)	
Savings & Checking Total	\$	Total Debt to Banks / Others	\$
Retirement Accounts	\$	Total Credit Card Balances	\$
Real Estate	\$	Total Real Estate Mortgage	\$
Stocks & Bonds	\$	Other Debts	\$
Other Assets	\$		\$
TOTAL ASSET VALUE	\$	TOTAL LIABILITIES VALUE	\$